



FACT SHEET ON SOLICITING AND ACCEPTING CONTRIBUTIONS FOR CITY OF SAN DIEGO CANDIDATES

This fact sheet contains some key provisions of state (the Political Reform Act and the regulations of the Fair Political Practices Commission) and local (the Election Campaign Control Ordinance [ECCO]) campaign finance law. The guidance in this fact sheet applies to candidates for elective City office as well as their committees and treasurers.

- ❖ A candidate may solicit and accept contributions only from individuals. Contributions from all other types of entities, including companies, corporations, sole proprietorships, partnerships, joint ventures, associations, committees, labor unions, trusts, and groups of individuals acting in concert, may not be accepted.
- ❖ A candidate may not solicit or accept contributions that exceed \$250 per individual, per election.
- ❖ A candidate may collect contributions for the general election prior to the primary election. If a candidate withdraws or loses in the primary, any general election contributions collected by the candidate become subject to “surplus funds” restrictions. If a candidate wins outright in the primary, the general election contributions may be spent in any manner reasonably related to a legislative or governmental purpose.
- ❖ A candidate may accept a contribution in an amount that exceeds \$250, provided that the candidate appropriately allocates the contribution between the primary and general elections and does not cause the contributor to exceed \$250 per election or \$500 for both elections. All contributions over \$250 should be reported as being apportioned between the two elections. For example, a \$500 contribution should be identified on a campaign statement as \$250 for the primary election and \$250 for the general election.
- ❖ It is not necessary to obtain written evidence regarding a contributor’s intent before allocating a contribution to the primary election or the general election. A candidate who accepts a contribution that has not been designated for the primary or general election may elect to use the contribution for either election as long as the designation does not cause the amount contributed by the contributor to exceed the \$250 per election contribution limits.
- ❖ After the primary election, a candidate may not accept additional contributions for the primary election unless there are outstanding debts associated with that election.
- ❖ Individuals may make separate contributions from a joint checking account. For reporting purposes, the full amount of the contribution should be reported as coming from the individual who signs the check. If two or more individuals sign the check, the contribution should be divided equally unless an accompanying document attributes specific amounts to each contributor.
- ❖ A candidate may not accept more than \$200 in anonymous contributions per election (this is not a per-contributor limit).

- ❖ Cash contributions (including money orders and cashier's checks) are limited to \$99 per contributor, per election.
- ❖ Credit card contributions are permitted (bank fees are not subtracted from the contribution amount – they are reported as expenditures); however, candidates may not open a second bank account to accept credit card contributions.
- ❖ A candidate must obtain the name and street address of the contributor before a contribution may lawfully be deposited. In addition, a candidate must obtain the occupation and employer of all contributors who contribute a total of \$100 or more, before such contributions may be deposited. These laws apply to all contributions, including credit card transactions.
- ❖ If a candidate discovers that a contribution has been deposited in violation of ECCO, such as a contribution that exceeds the allowable limit or a contribution deposited before all required information has been obtained, the candidate must notify the City Clerk of the discovery within ten calendar days and provide the City Clerk with a copy of pertinent documents. The candidate must also deliver to the City Clerk a check payable to the City Treasurer in an amount equal to the unlawful contribution.
- ❖ If a candidate receives a contribution that violates ECCO, but does not deposit the contribution, the candidate must return it to the contributor within twenty business days of the day the contribution was received. Note that only contributions that are deposited into the committee's account must be reported on campaign statements.
- ❖ A candidate must deposit each lawful contribution into his or her committee's bank account within twenty business days, or return it to the contributor within twenty-five business days. Candidates must maintain records of all returned contributions.
- ❖ A contribution is considered "received" on the date that the candidate or committee, or the agent of the candidate or committee, obtains possession or control of the check or other negotiable instrument by which the contribution is made.
- ❖ When a candidate accepts a non-monetary contribution, the fair market value of the goods or service must be reported. Non-monetary contributions include discounts not offered to the public in the regular course of business, forgiveness of loans, payments made by third parties on the candidate's behalf, and expenditures made at the candidate's behest.
- ❖ In-kind contributions include the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events.
- ❖ A candidate may not purchase an item and then donate that item to his or her committee as an in-kind contribution; all of the candidate's personal funds spent in connection with the election must first be deposited into the committee's campaign account.
- ❖ A candidate may not knowingly solicit campaign contributions from City employees unless it is part of a larger solicitation made to a significant segment of the public.

For additional information, please contact the Ethics Commission at (619) 533-3476.